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of the State of California  
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California Department of Justice  
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7 Attorneys for Complainant

8  
9 **BEFORE THE**  
**CALIFORNIA BOARD OF ACCOUNTANCY**  
10 **DEPARTMENT OF CONSUMER AFFAIRS**  
**STATE OF CALIFORNIA**

11 In the Matter of the Accusation Against:

12 LAVERNE BRAXTON  
13 2039 Shattuck Avenue, No. 307  
14 Berkeley, CA 94704

15 Certified Public Accountant  
Certificate No. CPA 23553

16 Respondent.

Case No. AC-2003-32

OAH No. N2003100064

**STIPULATED SETTLEMENT  
AND DISCIPLINARY ORDER**

17 IT IS HEREBY STIPULATED AND AGREED by and between the parties  
18 to the above-entitled proceedings that the following matters are true:

19 PARTIES

20 1. Carol Sigmann (complainant) is the Executive Officer of the California Board  
21 of Accountancy. She brought this action solely in her official capacity and is represented in this  
22 matter by Bill Lockyer, Attorney General of the State of California, by Jeanne C. Werner, Deputy  
23 Attorney General.

24 2. LaVerne Braxton (respondent) is representing herself in this proceeding and  
25 has chosen not to exercise her right to be represented by counsel.

26 3. On or about September 24, 1976, the California Board of Accountancy issued  
27 Certified Public Accountant Certificate No. CPA 23553 to respondent. The Certificate, which  
28

1 had expired on August 31, 2003, was renewed in active status November 17, 2003. The parties  
2 stipulate to the accuracy of the license history in all other respects.

3 JURISDICTION

4 4. Accusation No. AC-2003-32 was filed before the California Board of  
5 Accountancy (Board), Department of Consumer Affairs, and is currently pending against  
6 respondent. The Accusation and all other statutorily required documents were properly served  
7 on respondent on September 11, 2003. Respondent timely filed her Notice of Defense contesting  
8 the Accusation. A copy of Accusation No. AC-2003-32 is attached as Exhibit A and  
9 incorporated herein by reference.

10 ADVISEMENT AND WAIVERS

11 5. Respondent has carefully read, and understands the charges and allegations in  
12 Accusation No. AC-2003-32. Respondent has also carefully read, and understands the effects of  
13 this Stipulated Settlement and Disciplinary Order.

14 6. Respondent is fully aware of her legal rights in this matter, including the right to  
15 a hearing on the charges and allegations in the Accusation; the right to be represented by counsel  
16 at her own expense; the right to confront and cross-examine the witnesses against her; the right to  
17 present evidence and to testify on her own behalf; the right to the issuance of subpoenas to  
18 compel the attendance of witnesses and the production of documents; the right to reconsideration  
19 and court review of an adverse decision; and all other rights accorded by the California  
20 Administrative Procedure Act and other applicable laws.

21 7. Respondent voluntarily, knowingly, and intelligently waives and gives up each  
22 and every right set forth above.

23 CULPABILITY

24 8. Respondent admits the truth of the allegations contained in Causes for Discipline,  
25 paragraphs numbers 1-4, in Accusation No. AC-2003-32. Respondent neither admits nor denies  
26 the allegations contained in Cause for Discipline paragraph number 5, but does not contest the  
27 allegations thereof.

28 9. Respondent agrees that her Certified Public Accountant Certificate is subject

1 to discipline and she agrees to be bound by the Board's imposition of discipline as set forth  
2 in the Disciplinary Order below.

3 CONTINGENCY

4 10. This stipulation shall be subject to approval by the California Board of  
5 Accountancy. Respondent understands and agrees that counsel for Complainant and the staff  
6 of the California Board of Accountancy may communicate directly with the Board regarding this  
7 stipulation and settlement, without notice to or participation by respondent. By signing the  
8 stipulation, respondent understands and agrees that she may not withdraw her agreement or seek  
9 to rescind the stipulation prior to the time the Board considers and acts upon it. If the Board fails  
10 to adopt this stipulation as its Decision and Order, the Stipulated Settlement and Disciplinary  
11 Order shall be of no force or effect, except for this paragraph, it shall be inadmissible in any legal  
12 action between the parties, and the Board shall not be disqualified from further action by having  
13 considered this matter.

14 11. The parties understand and agree that facsimile copies of this Stipulated  
15 Settlement and Disciplinary Order, including facsimile signatures thereto, shall have the same  
16 force and effect as the originals.

17 12. In consideration of the foregoing admissions and stipulations, the parties agree  
18 that the Board may, without further notice or formal proceeding, issue and enter the following  
19 Disciplinary Order:

20 DISCIPLINARY ORDER

21 IT IS HEREBY ORDERED that Certified Public Accountant Certificate No. CPA  
22 23553 issued to respondent LaVerne Braxton is revoked. However, the revocation is stayed  
23 and respondent is placed on probation for three (3) years on the following terms and conditions.

24 1. **Actual Suspension.** Certified Public Accountant Certificate No. CPA 23553  
25 issued to LaVerne Braxton is suspended for three (3) months. During the period of suspension  
26 respondent shall engage in no activities for which certification as a Certified Public Accountant  
27 or Public Accountant is required as described in Business and Professions Code, Division 3,  
28 Chapter 1, Section 5051.

1           2.       **Obey All Laws.** Respondent shall obey all federal, California, other  
2 states' and local laws, including those rules relating to the practice of public accountancy  
3 in California.

4           3.       **Submit Written Reports.** Respondent shall submit, within ten (10) days  
5 of completion of the quarter, written reports to the Board on a form obtained from the Board.  
6 Respondent shall submit, under penalty of perjury, such other written reports, declarations, and  
7 verification of actions as are required. These declarations shall contain statements relative to  
8 respondent's compliance with all the terms and conditions of probation. Respondent shall  
9 immediately execute all release of information forms as may be required by the Board or its  
10 representatives.

11          4.       **Personal Appearances.** Respondent shall, during the period of probation,  
12 appear in person at interviews/meetings as directed by the Board or its designated  
13 representatives, provided such notification is accomplished in a timely manner.

14          5.       **Comply With Probation.** Respondent shall fully comply with the terms and  
15 conditions of the probation imposed by the Board and shall cooperate fully with representatives  
16 of the Board of Accountancy in its monitoring and investigation of the respondent's compliance  
17 with probation terms and conditions.

18          6.       **Practice Investigation.** Respondent shall be subject to, and shall permit,  
19 practice investigation of respondent's professional practice. Such a practice investigation shall be  
20 conducted by representatives of the Board, provided notification of such review is accomplished  
21 in a timely manner.

22          7.       **Tolling of Probation For Out-of-State Residence/Practice.** In the event  
23 respondent should leave California to reside or practice outside this state, respondent must notify  
24 the Board in writing of the dates of departure and return. Periods of non-California residency  
25 or practice outside the state shall not apply to reduction of the probationary period, or of any  
26 suspension. No obligation imposed herein, including requirements to file written reports  
27 or reimburse the Board costs, shall be suspended or otherwise affected by such periods of  
28 out-of-state residency or practice except at the written direction of the Board.

1           8.       **Violation of Probation.** If respondent violates probation in any respect, the  
2 Board, after giving respondent notice and an opportunity to be heard, may revoke probation and  
3 carry out the disciplinary order that was stayed. If an accusation or a petition to revoke probation  
4 is filed against respondent during probation, the Board shall have continuing jurisdiction until  
5 the matter is final, and the period of probation shall be extended until the matter is final.

6           9.       **Completion of Probation.** Upon successful completion of probation,  
7 respondent's license will be fully restored.

8           10.      **Engagement Letters.** Respondent shall use engagement letters with each new  
9 client or engagement accepted during probation, and shall provide copies of same to the Board  
10 or its designee upon request.

11          11.      **Continuing Education Courses.** Respondent shall complete and provide proper  
12 documentation of sixty-five and one-half (65.5) hours of designated continuing professional  
13 education courses for the August 31, 2005 license renewal. These 65.5 hours shall be **in**  
14 **addition to** the normal eighty (80) hours of continuing education required for license renewal.  
15 Failure to satisfactorily complete the additional continuing education hours as required herein  
16 shall constitute a violation of probation.

17          12.      **Active License Status.** Respondent shall at all times maintain an active license  
18 status with the Board, including during any period of suspension. If the license is expired  
19 at the time the Board's decision becomes effective, the license must be renewed within 30 days  
20 of the effective date of the decision.

21          13.      **Cost Reimbursement.** Respondent shall reimburse the Board four thousand four  
22 hundred eighty-eight dollars (\$4,488.00) for its investigation and prosecution costs. The  
23 payment shall be made in ten (10) equal quarterly installments of four hundred forty-eight  
24 dollars and eighty cents (\$448.80), commencing the first day of the month following the month  
25 in which this decision becomes effective. Payment shall be completed no later than six (6)  
26 months before probation is scheduled to terminate.

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ACCEPTANCE

I have carefully read the Stipulated Settlement and Disciplinary Order.  
I understand the stipulation and the effect it will have on my Certified Public Accountant  
Certificate. I enter into this Stipulated Settlement and Disciplinary Order voluntarily, knowingly,  
and intelligently, and agree to be bound by the Decision and Order of the California Board of  
Accountancy.

DATED: December 4, 2003


  
LAVERNE BRAXTON  
Respondent

ENDORSEMENT

The foregoing Stipulated Settlement and Disciplinary Order is hereby respectfully  
submitted for consideration by the California Board of Accountancy of the Department of  
Consumer Affairs.

DATED: December 4, 2003

BILL LOCKYER, Attorney General  
of the State of California

  
JEANNE C. WERNER  
Deputy Attorney General  
Attorneys for Complainant

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**BEFORE THE  
CALIFORNIA BOARD OF ACCOUNTANCY  
DEPARTMENT OF CONSUMER AFFAIRS  
STATE OF CALIFORNIA**

In the Matter of the Accusation Against:

LAVERNE BRAXTON  
2039 Shattuck Avenue, No. 307  
Berkeley, CA 94704

Certified Public Accountant  
Certificate No. CPA 23553

Respondent.

Case No. AC-2003-32

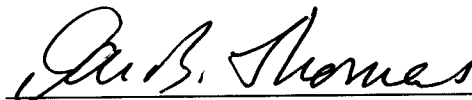
OAH No. N2003100064

**DECISION AND ORDER**

The attached Stipulated Settlement and Disciplinary Order is hereby adopted  
by the California Board of Accountancy, Department of Consumer Affairs, as its Decision  
in this matter.

This Decision shall become effective on APRIL 8, 2004.

It is so ORDERED MARCH 9, 2004.



IAN B. THOMAS, President  
FOR THE CALIFORNIA BOARD OF ACCOUNTANCY  
DEPARTMENT OF CONSUMER AFFAIRS

**Exhibit “A”**

**Accusation No. AC-2003-32**



1 BILL LOCKYER, Attorney General  
of the State of California  
2 FRED A. SLIMP II, State Bar No. 118693  
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3 California Department of Justice  
1515 Clay Street, 20<sup>th</sup> Floor ~ P. O. Box 70550  
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9 **DEPARTMENT OF CONSUMER AFFAIRS**  
10 **STATE OF CALIFORNIA**

11 In the Matter of the Accusation Against:

Case No. AC-2003-32

12 LAVERNE BRAXTON  
2039 Shattuck Avenue, No. 307  
13 Berkeley, CA 94704

**ACCUSATION**

14 Certified Public Accountant  
Certificate No. CPA 23553

15 Respondent.  
16

17 Complainant alleges:

18 PARTIES

19 1. Carol Sigmann (Complainant) brings this Accusation solely in her official capacity  
20 as the Executive Officer of the California Board of Accountancy, Department of Consumer Affairs.

21 2. On or about September 24, 1976, the California Board of Accountancy issued  
22 Certified Public Accountant Certificate Number CPA 23553 to LaVerne Braxton (Respondent).  
23 The Certified Public Accountant Certificate is renewed through August 31, 2003.

24 JURISDICTION

25 3. This Accusation is brought before the California Board of Accountancy (Board),  
26 Department of Consumer Affairs, under the authority of the following laws. All section references  
27 are to the Business and Professions Code unless otherwise indicated.

28 ///

1           4.       Section 5100 states in pertinent part:

2                   "After notice and hearing the board may revoke, suspend, or refuse to renew  
3 any permit or certificate ... for unprofessional conduct which includes, but is not limited to,  
4 one or any combination of the following causes:

5                   "...

6                   "(b)    A violation of Section 478, 498, or 499 dealing with false statements  
7 or omissions in the application for a license, in obtaining a certificate as a certified public  
8 accountant, ... under this chapter.

9                   "(c)    Dishonesty, fraud, gross negligence, ... in the practice of public  
10 accountancy ...

11                   "...

12                   "(g)    Willful violation of this chapter or any rule or regulation promulgated  
13 by the board under the authority granted under this chapter.

14                   " ..."

15           5.       Section 5050 states in pertinent part:

16                   "No person shall engage in the practice of public accountancy in this State unless  
17 such person is the holder of a valid permit to practice public accountancy issued by the board; ..."

18           6.       Section 5051 defines the scope of the practice of public accountancy under the  
19 Accountancy Act, Section 5000, et seq.

20           7.       Title 16, California Code of Regulations ("CCR") section 87 provides in pertinent  
21 part that a licensee, as a condition of active license renewal, shall complete at least 80 hours of  
22 qualifying continuing education in the two-year period immediately preceding license expiration.

23           8.       Section 498 states:

24                   "A board may revoke, suspend, or otherwise restrict a license on the ground that  
25 the licensee secured the license by fraud, deceit, or knowing misrepresentation of a material fact  
26 or by knowingly omitting to state a material fact."

27           ///

28           ///

1           9.       Section 5107(a) states in pertinent part:

2                   "The executive officer of the Board may request the administrative law judge,  
3 as part of the proposed decision in a disciplinary proceeding, to direct any holder of a permit  
4 or certificate found guilty of unprofessional conduct in violation of subdivisions (b), (c), ... of  
5 Section 5100, to pay to the Board all reasonable costs of investigation and prosecution of the case  
6 including, but not limited to, attorneys' fees. ... "

7                                   FIRST CAUSE FOR DISCIPLINE  
8                                   (Unlicensed Practice of Public Accountancy)  
                                      (Bus. & Prof. Code §§ 5100(g), 5050)

9           10.     On or about September 1, 2001, respondent's CPA certificate expired due to the  
10 failure to pay required fees and provide proof of compliance with continuing education  
11 requirements. The certificate remained in said expired status until June 3, 2002. During said  
12 period of non-licensure, respondent, by her own admission, engaged in the practice of public  
13 accountancy, which practice consisted of 60% tax work, 15% bookkeeping and consultation  
14 work, 20% review services, and 5% audit work. More specifically, during said period of  
15 non-licensure, respondent conducted an audit engagement for Our Family and Friends Foster  
16 Care Services, a non-profit organization, for the year ending December 31, 2001. Respondent  
17 signed an engagement letter for the said audit on November 2, 2001, and issued her audit report  
18 on or about March 13, 2002. During the said period of non-licensure, respondent also executed,  
19 on or about January 8, 2002, an engagement letter with Williams, Adley & Company, LLP  
20 for the performance of a financial statements review thereof.

21           11.     Respondent's conduct as set forth in paragraph 10, above, constitutes the  
22 unlicensed practice of public accountancy as defined in Section 5051 in violation of Section 5050  
23 and therefore unprofessional conduct within the meaning of Section 5100(g).

24                                   SECOND CAUSE FOR DISCIPLINE  
25                                   (Dishonesty in Practice of Public Accounting)  
                                      (Bus. & Prof. Code § 5100(c))

26           12.     Complainant realleges paragraph 10, above, and incorporates it herein by reference  
27 as if set forth in full at this point.

28     ///

1           13.     Respondent's conduct in holding herself out as a validly licensed certified public  
2 accountant for the performance of the professional acts set forth in paragraph 10, above, while  
3 not so validly licensed constitutes dishonesty in the practice of public accountancy and therefore  
4 unprofessional conduct within the meaning of Code section 5100(c).

5                                   THIRD CAUSE FOR DISCIPLINE

6   (Gross Negligence)

7   (Bus. & Prof. Code § 5100(c))

8           14.     Complainant realleges paragraph 10, above, and incorporates it by reference herein  
9 as if set out in full at this point.

10          15.     Respondent's conduct in issuing an audit report while practicing without a valid  
11 license as set forth in paragraph 10, above, constitutes gross negligence in the practice of public  
12 accountancy and therefore unprofessional conduct within the meaning of Section 5100(c).

13                                   FOURTH CAUSE FOR DISCIPLINE

14   (Violation of Continuing Education Requirements)

15   (Bus. & Prof. Code § 5100(g), 16 CCR § 87)

16          16.     Complainant realleges paragraph 10, above, and incorporates it by reference herein  
17 as if set out in full at this point.

18          17.     In the two-year period immediately preceding the expiration of her CPA certificate  
19 on August 31, 2001, respondent completed only 14.5 qualifying hours of continuing education,  
20 although she certified in writing on her application for active license renewal effective June 4, 2002,  
21 that she had completed the requisite 80 hours of qualifying continuing education.

22          18.     Respondent's conduct as set forth in paragraph 17, above, constitutes violation  
23 of Title 16, California Code of Regulations section 87 and therefore unprofessional conduct  
24 within the meaning of Section 5100(g).

25                                   FIFTH CAUSE FOR DISCIPLINE

26   (Procuring Certificate by Fraud, Deceit or Knowing Misrepresentation)

27   (Bus. & Prof. Code § 5100(b))

28          19.     Complainant realleges paragraph 17, above, and incorporates it herein by reference  
as if fully set forth at this point.

29          20.     Respondent's conduct in certifying that she had completed 80 qualifying hours of  
continuing education for active license renewal when she had, in fact, completed only 14.5 hours

1 of such qualifying continuing education as set forth in paragraph 17, above, constitutes the  
2 securing of a license by fraud, deceit or knowing misrepresentation in violation of Section 498  
3 and therefore unprofessional conduct within the meaning of Code section 5100(b).

4 OTHER MATTERS

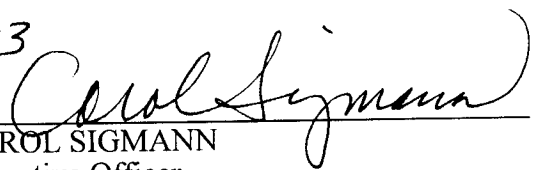
5 21. Respondent's CPA certificate was expired and not valid for failure to pay  
6 required fees and provide proof of compliance with continuing education requirements  
7 during the following periods: September 1, 1989 through October 25, 1989; September 1, 1993  
8 through December 5, 1996; and September 1, 1997 through May 25, 2000.

9 PRAYER

10 WHEREFORE, Complainant requests that a hearing be held on the matters herein  
11 alleged, and that following the hearing, the California Board of Accountancy issue a decision:

- 12 1. Revoking, suspending, or otherwise imposing discipline on Certified Public  
13 Accountant Certificate Number CPA 23553 issued to LaVerne Braxton;
- 14 2. Directing respondent LaVerne Braxton to pay to the Board all the reasonable costs  
15 of investigation and prosecution of the case including, but not limited to, attorneys' fees pursuant  
16 to Section 5107(a); and
- 17 3. Taking such other and further action as may be deemed necessary or proper.

18  
19 DATED: September 11, 2003

20   
21 CAROL SIGMANN  
22 Executive Officer  
23 California Board of Accountancy  
24 Department of Consumer Affairs  
25 State of California

26  
27 Complainant  
28